

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF EAST) CASE NO. 2011-00483
KENTUCKY POWER COOPERATIVE,)
INC. FROM MAY 1, 2011 THROUGH)
OCTOBER 31, 2011)

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 26, 2012, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of East Kentucky Power Cooperative, Inc. ("East Kentucky") for the six-month period that ended on October 31, 2011. As part of this review, East Kentucky submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing in this matter on March 9, 2012. On March 15, 2012, East Kentucky filed its response to a request made at the hearing.

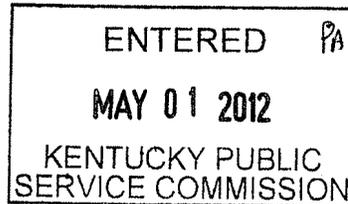
The Commission has previously established East Kentucky's base fuel cost as 30.14 mills per kWh.¹ A review of East Kentucky's monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 28.78 mills in June 2011 to a high of 32.11 mills in October 2011, with a six-month average of 30.18 mills.

¹ Case No. 2010-00491, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011).

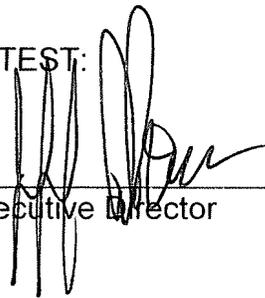
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of East Kentucky's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by East Kentucky through its FAC for the period May 1, 2011 through October 31, 2011 are approved.

By the Commission



ATTEST:



Executive Director

Anthony S Campbell
President & CEO
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P. O. Box 707
Winchester, KY 40392-0707

Mark David Goss
Frost, Brown, Todd, LLC
250 West Main Street
Suite 2800
Lexington, KENTUCKY 40507